

A-E CONTRACTING BULLETIN 96-11, 25 OCT 96

SUBJECT: Annual Acquisition Strategy for A-E IDCs

1. IDCs have become the predominant type of A-E contract in USACE. The recent EFARS changes give the field much greater authority and flexibility for A-E IDCs. Also, EFARS 36.601-3-90(b) now requires each contracting office (districts, centers, operating divisions, and labs that procure A-E services) to prepare an annual acquisition strategy for A-E IDCs. This document is a planning tool and does not require external approval. See EFARS 36.601-3-90(b) for more detail on the purpose and content of the strategy document.

2. So what does this thing look like? I just received an excellent example from Ft. Worth District which is enclosed. I only included the narrative. The complete document includes a set of matrices showing contract number, contractor name and address, business type (LB, SB, or SDB), subcontractors, scope, geographic area, contract amount, number of option periods, award dates and expiration dates. All that's missing is a coordination page showing the concurrence of the Chief of Contracting, the SADBUS, the DDPM, and any other pertinent offices. I recommend following this example.

Encl

DON EVICK, HQUSACE, CEMP-ES
A-E CONTRACTING PROGRAM MANAGER
PHONE: 202-761-1053, FAX: 202-761-1649

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Annual Fort Worth District A-E Acquisition Strategy

1. Acquisition Background and Objectives: EFARS 36.601-3-90 (b) requires each contracting office to develop an annual acquisition strategy covering A-E Indefinite Delivery Contracts (IDCs). The objective of this strategy is to compare the Fort Worth District's anticipated fiscal year (FY) 1997 workload to the capabilities and remaining capacities of current IDCs, and demonstrate the need for new IDCs. The strategy should assure a mix of large and small IDCs of various types to provide meaningful opportunities for small business A-E firms to compete.

2. Statement of Need: The Fort Worth District awarded 277 delivery orders under forty separate A-E IDCs during FY 96. These delivery orders totaled \$13,783,530. It is anticipated that workload for FY 97 will increase slightly. As of the end of FY 96, Fort Worth District had a total of 21 active IDCs, with 14 in the process of being awarded. Analysis of individual IDC requirements, by primary scope of work, is as follows:

A. Architectural: Forty-three delivery orders totaling \$2,161,210 were awarded during FY 96 under this type of IDC.

(1) Fort Worth District's current capacity is \$1.45 million under two IDCs, with four additional contracts in the process of being awarded (\$1 million each, base and two option periods). One of the IDCs will expire in March 1997 (currently \$345K remaining capacity). This will give Fort Worth District a total capacity of about \$5 million for FY 97. It is anticipated that no further selections will be required for this category of IDC until expiration of the option periods.

(2) One IDC, funded by and for use by White Sands Missile Range (WSMR), has remaining capacity of \$716K and expires in January 1997. During FY 96, WSMR used only \$34K in capacity. At this time, it is not known whether WSMR will request selection of an A-E firm for their use. Fort Worth District selections can easily absorb this additional workload without replacement.

(3) One IDC, funded by and for use by Fort Polk, has remaining capacity of \$42K and expires in September 1997. During FY 96, Fort Polk used \$707K in capacity. At this time, it is not known if Fort Polk will request selection of an A-E firm for their use. Fort Worth District selections can easily absorb this additional workload without replacement.

(4) One IDC, funded by and for use by Fort Sam Houston, has remaining capacity of \$570K and is in the base period. During FY 96, Fort Sam Houston used \$523K in capacity under two IDCs (one expired in March 1996). It is anticipated that no additional contract requirements will come from Fort Sam Houston during FY 97, as this remaining contract can absorb the anticipated workload.

B. Mechanical and Electrical: Fifty-nine delivery orders totaling \$2,516,337 were awarded during FY 96 under this type of IDC.

(1) Fort Worth District's current capacity is \$143K under two IDCs, both of which expire in November 1997. Three contracts are in the process of

CESWF-ED-M (15 October 1996)

SUBJECT: Annual Fort Worth District A-E Acquisition Strategy

being awarded (\$1 million each, base and two option periods). This will give Fort Worth District a total capacity of about \$3 million for FY 97, which is adequate for the anticipated workload.

(2) One IDC, funded by and for use by Red River Army Depot (RRAD), has remaining capacity of \$750K and expires in June 1997. During FY 96, RRAD used \$290K in capacity. At this time, it is not known whether RRAD will request selection of an A-E firm for their use. If so, it is recommended a contract be solicited for a reduced amount.

(3) One IDC, funded by and for use by Fort Polk, has remaining capacity of \$750K and expires in September 1997. During FY 96, Fort Polk used \$453K in capacity. At this time, it is not known if Fort Polk will request selection of an A-E firm for their use. If so, it is recommended a contract be solicited for a reduced amount.

(4) One IDC, funded by and for use by Fort Bliss, has remaining capacity of \$750K and expires in November 1997. During FY 96, Fort Bliss used \$423K in capacity. At this time, it is not known if Fort Bliss will request selection of an A-E firm for their use. If so, it is recommended a contract be solicited for a reduced amount.

(5) One IDC, funded by and for use by Fort Sam Houston, has remaining capacity of \$743K and is in the base period. During FY 96, Fort Sam Houston used \$208K in capacity. It is anticipated that no additional contract requirements will come from Fort Sam Houston during FY 97, as this remaining contract can absorb the anticipated workload.

C. Civil/Structural/HTRW: Fifty-six delivery orders totaling \$2,885,723 were awarded during FY 96 under this type of IDC.

(1) Fort Worth District's current capacity is \$1.58 million under four IDCs, two of which expire in April and September 1997. Four contracts are in the process of being awarded (\$1 million each, base and two option periods). This will give Fort Worth District a total capacity of about \$5 million for FY 97, which is adequate for the anticipated workload.

(2) One IDC, funded by and for use by Fort Polk, has remaining capacity of \$750K and expires in September 1997. During FY 96, Fort Polk used \$565K in capacity. At this time, it is not known if Fort Polk will request selection of an A-E firm for their use. If so, it is recommended a similar contract be solicited.

D. Asbestos/HTW: Eighty-three delivery orders totaling \$4 million were awarded under this type of IDC during FY 96. Fort Worth District currently has two active IDCs, one in the base period that expires in September 1997, and one in the option period that expires in September 1997. These contracts have an annual limit of \$2.5 million, which gives Fort Worth District an annual capacity for FY 97 of \$5 million. The workload is anticipated to remain constant or increase slightly, which will necessitate replacing the expiring contract.

E. Surveying: Thirteen delivery orders totaling \$901K were awarded under this type of IDC during FY 96. Fort Worth District currently has three active IDCs, one expiring in November 1996 and one in January 1997. Two replacement contracts are in the process of being negotiated, which will give

CESWF-ED-M (15 October 1996)

SUBJECT: Annual Fort Worth District A-E Acquisition Strategy

Fort Worth District adequate capacity of \$2.2 million. The workload is anticipated to remain constant or increase slightly.

F. Distribution of Awards: Distribution of awards based on dollar amount and size of business during FY 96 were as follows:

8(a)	\$	15,736.17	(0.2%)
SDB		4,114,043.36	(29.8%)
SB		2,500,216.81	(18.1%)
LB		7,153,533.23	(51.9%)
		<u>\$13,783,529.57</u>	

3. Acquisition Strategy:

A. Mechanical and Electrical IDC, Fort Polk: See paragraph 2.B.(3) above. If Fort Polk requests replacement of its IDC, and provides funding, Fort Worth District will advertise for a replacement contract. If Fort Polk's usage of their current contract remains comparative to their use during FY 96, the annual amount will be advertised as not to exceed \$500K per year, base year and two options. This should provide a greater opportunity for small business firms to compete for this type of work. Replacement activities, if funded, will commence during FY 97, and be timed so as to award the contract in October 1997.

B. Mechanical and Electrical IDC, Fort Bliss: See paragraph 2.B.(4) above. If Fort Bliss requests replacement of its IDC, and provides funding, Fort Worth District will advertise for a replacement contract. If usage of their current contract remains comparative to their use during FY 96, the annual amount will be advertised as not to exceed \$500K per year, base year and two options. Replacement activities, if funded, will commence during FY 97, and be timed so as to award the contract in December 1997.

C. Civil/Structural/HTRW, Fort Polk: See paragraph 2.C.(2) above. If Fort Polk requests replacement of its IDC, and provides funding, Fort Worth District will advertise for a replacement contract. If Fort Polk's usage of their current contract remains comparative to their use during FY 96, the annual amount will be advertised as not to exceed \$500K per year, base year and two options. Replacement activities, if funded, will commence during FY 97, and be timed so as to award the contract in October 1997.

D. Asbestos/HTW: See paragraph 2.D. above. One contract will expire in September 1997. Fort Worth District will advertise for a replacement contract beginning in March 1997. This will assure award of the contract by October 1997. Acquisition costs will be borne by the Fort Worth District's Indefinite Delivery A-E Contract Facility Account.

RALPH E. BARRETT, P.E.
Chief, A-E Management Branch